

Appendices: 2



**NORTHAMPTON**  
BOROUGH COUNCIL

## STANDARDS COMMITTEE REPORT

<b>Report Title</b>	<b>Updating the Employees' Code of Conduct</b>
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**AGENDA STATUS: PUBLIC**

<b>Committee Meeting Date:</b>	17 <sup>th</sup> July 2017
<b>Policy Document:</b>	Yes
<b>Directorate:</b>	Borough Secretary and Monitoring Officer

### 1. Purpose

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The purpose of this report is to ask Standards Committee to consider and approve an updated version of the Employees' Code of Conduct following a recommendation made by the Standards Committee's Working Group.

### 2. Recommendations

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It is recommended that Standards Committee:

- 2.1 consider and approve the draft updated Employees' Code of Conduct at Appendix 1;
- 2.2 delegate authority to the Borough Secretary and Monitoring Officer to make any necessary minor amendments to the Code of Conduct prior to its publication to all Council staff; and
- 2.3 note that MTUCM will be notified of the updated Employees' Code of Conduct.

### 3. Issues and Choices

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#### 3.1 Report Background

- 3.1.1 The Employees' Code of Conduct sets out the standards that the Council expects of its employees and aims to provide those who work for the Council with an effective ethical framework within which to operate.

- 3.1.2 The Standards Committee is responsible for “undertaking any action that improves, promotes, safeguards or facilitates the highest standard, of probity and ethical conduct by the Council, its Members and Officers”. A general review of the Employees’ Code of Conduct therefore falls within the remit of the Standards Committee.
- 3.1.3 The Employees’ Code of Conduct is due for review and has therefore been reviewed generally by officers, including review of the provisions in the Code relating to personal interests and gifts and hospitality. Following the review by officers, the Standards Committee’s Working Group considered the draft revised Code on 3<sup>rd</sup> July 2017 and recommended it to the Standards Committee for consideration and approval.
- 3.1.4 The draft revised version of the Employees’ Code of Conduct is attached as Appendix 1. This is the version considered and recommended by the Working Group to the Committee with one additional amendment (referring to the prevention of fraud). This amendment was made by the Monitoring Officer after the Working Group took place, to take account of further consultation with Council Officers.
- 3.1.5 For comparison purposes, the current version of the Employees’ Code of Conduct is at Appendix 2.

## **3.2 Issues**

- 3.2.1 The main draft revisions that have been made to the Employees’ Code of Conduct at Appendix 1 are outlined below:
- a) The draft amendments widen the scope of the Code, so that the general principles contained within it apply to all staff engaged by the Council, and not just those who have the status of employee. Therefore, for example, it is now clear that the provisions relating to disclosure and registration of personal interests apply to interims, who may be carrying out relatively senior roles in the Council and who may not be employees. (Page 1).
  - b) The Code has been expressly linked to the Council’s Disciplinary Framework. It states that a serious failure to comply with any provisions of the Code may result in disciplinary action being taken. (Page 1).
  - c) Additional detail has been included in the section of the Code on declaration and registration of personal interests, to assist staff to understand the circumstances in which they may have a personal interest that should be declared and what their obligations are. (Page 4).

Further, a specific form (‘Form for Declaration of a Personal Interest by Council Staff’ – ‘Form DOPI’) has been introduced which any member of staff could use to declare a personal interest. (Page 8). There is already a form within the Code for Senior Officers to declare specified types of interest (Form ROI at Page 21), but the new form applies to a broader range of personal interests and is applicable to all staff.

- d) The section in the Code on anti-corruption has been strengthened to specifically address the issues of fraud and bribery and to refer to the need for all employees to take responsibility for preventing, detecting and reporting bribery and fraud. (Page 6-7). This addition has been made to ensure that the Council's commitment to prevention and detection of fraud is clear to all staff and to ensure that the Employees' Code of Conduct links to other Council documents in this respect, such as the Disciplinary Policy, which will cover fraud and bribery in the gross misconduct section. (The Disciplinary Policy will also state that a serious breach of the Employees' Code of Conduct is a gross misconduct matter).
- e) FORM ROI is the form that senior officers (ie. officers at Head of Service level and above) must use to identify specific types of financial and personal interests, which could potentially give rise to conflict with the Council's interests. The Monitoring Officer holds a register containing these forms.

An additional category of interest has provisionally been added to this Form ROI (see Page 24):

***Any other personal or pecuniary (financial) interest that you have which could conflict with the Council's interests, or could potentially give rise to a concern about, or a perception of, bias or partiality in decision making or the working practices of the Council.***

The purpose of this is to provide a 'catch all' category, in order that there is a place where Senior Officers can declare any other personal interests that they consider it would be appropriate to declare, but which do not fall within any of the other categories on Form ROI.

- 3.2.2 The Council's Governance Action Plan adopted by the Audit Committee in December 2016 included an action to review Officer hospitality policy and guidance and to publish guidance.
- 3.2.3 The Employees' Code of Conduct already contains guidance on the acceptance of hospitality by officers. The Code sets out the process officers should use to declare any hospitality and includes the relevant form. These parts of the Employees' Code of Conduct have been reviewed and remain unchanged save for inclusion of an amendment that expressly asks all Council staff to comply with these provisions (and not just those who are employees of the Council).
- 3.2.4 In accordance with the Governance Action Plan, it will be necessary to carry out a compliance audit in relation to parts of the Code relating to the registration of hospitality. In accordance with the Governance Action Plan staff will also receive training on the subject of receiving hospitality in connection with their work.
- 3.2.5 It is recommended that Standards Committee:
  - a) approve the draft updated Employees' Code of Conduct at Appendix 1;

- b) delegate authority to the Borough Secretary and Monitoring Officer to make any necessary minor amendments to the Code of Conduct prior to its publication to all Council staff; and
- c) note that MTUCM will be notified of the updated Employees' Code of Conduct.

### **3.3 Choices (Options)**

#### **3.3.1 Option 1**

Approve the draft amended Employees' Code of Conduct at Appendix 1.

#### **Option 2**

Propose additional or alternative amendments to the Employees' Code of Conduct to those contained within Appendix 1.

#### **Option 3**

Choose to make no amendments and leave the Employees' Code of Conduct as it currently is (as in Appendix 2).

## **4. Implications (including financial implications)**

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### **4.1 Policy**

- 4.1.1 If the recommendations of this report are accepted, it will result in a change to the Employees' Code of Conduct, which incorporates Council policy on registration of personal interests and gifts and hospitality by Council staff.

### **4.2 Resources and Risk**

- 4.2.1 There are no financial implications arising from the recommendations in this report.
- 4.2.2 The Employees' Code of Conduct is part of the overall governance framework of the Council. Having an up to date Code that is highlighted to all staff assists in ensuring that staff work to high standards of behaviour and ethical conduct, thus reducing the potential risks to the Council arising from unethical behaviour.

### **4.3 Legal**

- 4.3.1 There are no legal implications arising directly from this report. The Employees' Code of Conduct does not form part of employees' contracts of employment. MTUCM will still be notified of the revised Code.

### **4.4 Equality and health**

- 4.4.1 It is considered that there are no equality and health impacts arising directly from the proposed changes to the Code of Conduct.

#### **4.5 Consultees (Internal and External)**

4.5.1 Human Resources Department

4.5.2 Standards Working Group

#### **4.6 Other Implications**

4.6.1 None.

### **5. Background Papers**

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5.1 Report to Standards Committee Working Group (Work Plan) on 3<sup>rd</sup> July 2017 – *Draft revisions to the Employees' Code of Conduct.*

**Francis Fernandes**  
**Borough Secretary and Monitoring Officer**